



**Request for City Council Committee Action
From the Department of Operations & Regulatory Services**

Date: July 15, 2002
To: Council Member Scott Benson, Chair
Intergovernmental Relations Committee

Subject: State Licensing of Trades Installers and Contractors

Recommendation

Direct staff to create a work team to evaluate the options and recommend a 2003 legislative initiative to expand state licensing of trades installers and contractors which will further reduce the need for City administered competency programs.

Prepared or Submitted by: Merwyn Larson, Director, Inspections, Phone 673-5821

Approved by:

Merwyn Larson, Director, Inspections

John A. Bergquist, Asst. City Coordinator/Director
Operations & Regulatory Services

John Moir, City Coordinator

Presenters in Committee: Merwyn Larson, Director, Inspections

Financial Impact (Check those that apply)

☐ No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)

☐ Action requires an appropriation increase to the Capital Budget

☐ Action requires an appropriation increase to the Operating Budget

☐ Action provides increased revenue for appropriation increase

☐ Action requires use of contingency or reserves

☒ Other financial impact (Explain): As categories of licensing are taken over by the state, City license and competency card revenues will decrease.

☐ Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact

City Goals

Comprehensive Plan

Other

Background/Supporting Information

On July 17th, the PS&RS Committee adopted changes to the Minneapolis Code of Ordinances, Chapters 277 and 278 that will:

- eliminate stoker installers and concrete block manufacturers licenses as obsolete, and
- eliminate all remaining examining boards for the building trades, and
- provide secure, validated testing by a third party vendor for steam and hot water, oil installers, and plumber/gas fitters, and
- eliminate competency cards for plasterers, masonry contractors, drywall contractors, cement finishers, and duct cleaning mechanics, and
- create a new license category called residential specialty contractor for those residential specialties exempt from the State license who provide one special skill as defined by State Statute, or two specialties with gross annual receipts under \$15,000, and
- increase the surety bond and insurance for consumer protection.

In addition to sponsoring the ordinance amendments, Council President Ostrow also made a commitment to push for legislation to initiate State licensing of trades installers and contractors in the remaining life safety categories which Minneapolis still regulates. State regulation of these trades would provide safety for all residents of Minnesota and reduce the regulatory barriers that exist for businesses trying to work in Minneapolis or St. Paul.

A work team of representatives from the Mayor's Office, Council, Inspections, Licenses & Consumer Services and IGR should be formed which will meet with the affected state agencies, the Construction Codes Advisory Council (CCAC), the CCAC Certification and Licensure Technical Advisory Group, state legislators, St. Paul Mayor Kelly, industry representatives and others in order to prepare for a successful legislative initiative. Possible initiatives for the team to look at include:

1. Expand the scope of the state plumbing examination to include the associated gas fitting competency. This might be the easiest to accomplish because there is already a statewide installer/contractor license.
2. Create new state licensing categories for gas fitting, plumbing/gas fitting, warm air installing and refrigeration and air conditioning. This would be the ultimate initiative to get the City out of the competency testing business, but may be more difficult for "Greater Minnesota" to accept.
3. Create new state licensing categories for residential gas fitting, plumbing/gas fitting, warm air installing and refrigeration and air conditioning. This could be incorporated into the state residential building contractor licensing program, be strongly linked to regulatory reforms necessary for affordable housing and be the most palatable to "Greater Minnesota".

The work team would have its recommendations finished prior to the IGR Committee 2003 legislative priority setting in November.